

Calendar No. 699

111TH CONGRESS
2^D SESSION**S. 3297****[Report No. 111–369]**

To update United States policy and authorities to help advance a genuine transition to democracy and to promote economic recovery in Zimbabwe.

IN THE SENATE OF THE UNITED STATES

MAY 4, 2010

Mr. FEINGOLD (for himself, Mr. ISAKSON, Mr. KERRY, Mr. CARDIN, and Mr. DURBIN) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

DECEMBER 15, 2010

Reported by Mr. KERRY, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]**A BILL**

To update United States policy and authorities to help advance a genuine transition to democracy and to promote economic recovery in Zimbabwe.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Zimbabwe Transition
5 to Democracy and Economic Recovery Act of 2010.”.

1 **SEC. 2. DEFINITIONS.**

2 In this Act:

3 ~~(1) APPROPRIATE CONGRESSIONAL COMMIT-~~
4 ~~TEES.—The term “appropriate congressional com-~~
5 ~~mittees” means—~~

6 ~~(A) the Committee on Foreign Relations,~~
7 ~~the Committee on Banking, Housing, and~~
8 ~~Urban Affairs, and the Committee on Appro-~~
9 ~~priations of the Senate; and~~

10 ~~(B) the Committee on Foreign Affairs, the~~
11 ~~Committee on Financial Services, and the Com-~~
12 ~~mittee on Appropriations of the House of Rep-~~
13 ~~resentatives.~~

14 ~~(2) INTERNATIONAL FINANCIAL INSTITU-~~
15 ~~TIONS.—The term “international financial institu-~~
16 ~~tions” means the multilateral development banks~~
17 ~~and the International Monetary Fund.~~

18 ~~(3) MULTILATERAL DEVELOPMENT BANKS.—~~
19 ~~The term “multilateral development banks”~~
20 ~~means—~~

21 ~~(A) the International Bank for Reconstruc-~~
22 ~~tion and Development;~~

23 ~~(B) the International Development Asso-~~
24 ~~ciation;~~

25 ~~(C) the International Finance Corporation;~~

1 ~~(D)~~ the Inter-American Development
2 Bank;

3 ~~(E)~~ the Asian Development Bank;

4 ~~(F)~~ the Inter-American Investment Cor-
5 poration;

6 ~~(G)~~ the African Development Bank;

7 ~~(H)~~ the African Development Fund;

8 ~~(I)~~ the European Bank for Reconstruction
9 and Development; and

10 ~~(J)~~ the Multilateral Investment Guarantee
11 Agency.

12 **SEC. 3. FINDINGS.**

13 Congress makes the following findings:

14 ~~(1)~~ In the last decade, Robert Mugabe and his
15 government presided over the collapse of Zimbabwe's
16 economy and a dramatic decline in the living condi-
17 tions of the people of Zimbabwe, while employing
18 violent tactics to maintain power.

19 ~~(2)~~ Through economic mismanagement and un-
20 democratic practices over the past decade, the Gov-
21 ernment of Zimbabwe rendered itself ineligible to re-
22 ceive new loans, credits, or guarantees from most
23 international financial institutions, which would oth-
24 erwise be providing substantial resources to assist in
25 the recovery and modernization of Zimbabwe's econ-

1 omy and which would have benefitted the people of
2 Zimbabwe.

3 (3) In September 2008, after months of polit-
4 ical violence against opposition members and their
5 supporters following disputed national elections,
6 Robert Mugabe's party, the Zimbabwean African
7 National Union-Patriotic Front (ZANU-PF), signed
8 a "Global Political Agreement" (GPA) with both
9 factions of the opposition Movement for Democratic
10 Change (MDC), respectively led by Morgan
11 Tsvangirai and Arthur Mutambara, to form a tran-
12 sitional government, which was inaugurated in Feb-
13 ruary 2009.

14 (4) In the GPA, which has been enshrined in
15 the constitution of Zimbabwe and guaranteed by the
16 Southern African Development Community (SADC)
17 and the African Union (AU), the parties declared
18 their commitment to "work together to create a gen-
19 uine, viable, permanent, sustainable, and nationally
20 acceptable solution to the Zimbabwe situation and in
21 particular to implement the following agreement
22 with the aims of resolving once and for all the cur-
23 rent political and economic situations and charting
24 a new political direction for the country".

1 (5) Under the direction of the new Prime Min-
2 ister, Morgan Tsvangirai, and Minister of Finance,
3 Tendai Biti, both from the MDC, the transitional
4 government in Zimbabwe has initiated a series of
5 critical economic reforms, putting a stop to some of
6 the quasi-fiscal activities of the previous administra-
7 tion, resuming salary payments to civil servants, and
8 directing limited budget resources toward critical so-
9 cial protection services and infrastructure repairs.

10 (6) While reform-minded members of the new
11 coalition government have made some progress in
12 initiating reforms in the economic sector, the agree-
13 ment has yet to be fully implemented, and political
14 and human rights abuses continue, in contravention
15 of the Global Political Agreement signed by the par-
16 ties.

17 (7) As of the date of the enactment of this Act,
18 state security forces remain largely under the control
19 of ZANU-PF and continue to harass MDC sup-
20 porters and civic activists in Zimbabwe, to force ille-
21 gal and often violent seizures of private land and
22 property, and to exert extrajudicial control of dia-
23 mond fields in the Marange district of eastern
24 Zimbabwe.

1 (8) The continued disrespect for the rule of law
2 and property rights in Zimbabwe deters much need-
3 ed private investment in the country.

4 (9) The formation of the transitional govern-
5 ment has brought changes to the political landscape
6 in Zimbabwe and created new opportunities for the
7 United States and others to help advance real re-
8 form and recovery by engaging with those in the
9 government who share those goals, while continuing
10 to put targeted pressure on those who are under-
11 mining the rule of law.

12 **SEC. 4. STATEMENT OF POLICY.**

13 It is the policy of the United States to support the
14 people of Zimbabwe in their struggle to affect peaceful,
15 democratic change, achieve broad-based and equitable eco-
16 nomic growth, and restore the rule of law, including
17 through—

18 (1) the continued provision of humanitarian as-
19 sistance to meet the urgent needs of the people of
20 Zimbabwe;

21 (2) increased resources through non-govern-
22 mental entities to provide assistance to the critical
23 agriculture, economic, education, and health sectors;

24 (3) the promotion of trade by United States
25 companies with Zimbabwe to stimulate the country's

1 economic growth and support the livelihoods of its
2 people;

3 (4) engagement and close consultation with re-
4 gional governments and organizations; international
5 financial institutions; and other donors to push for
6 the full implementation of the Global Political
7 Agreement and provide targeted support for funda-
8 mental reforms in Zimbabwe;

9 (5) continued support for and engagement with
10 civil society organizations in their efforts to promote
11 the rule of law and respect for human rights in
12 Zimbabwe; including through their contributions to
13 the development of a new democratic constitution;

14 (6) technical assistance to those within the
15 transitional government in Zimbabwe who dem-
16 onstrate commitment to fundamental reforms in line
17 with the Global Political Agreement;

18 (7) the continuation of the ban on the transfer
19 of defense items and services and the suspension of
20 direct monetary assistance to the Government of
21 Zimbabwe until there is greater progress toward re-
22 storing the rule of law; civilian control over security
23 forces; and respect for human rights; and

24 (8) the updating and renewal of targeted finan-
25 cial sanctions and travel bans against those found to

1 be responsible for the deliberate breakdown of the
 2 rule of law, politically motivated violence, hindrance
 3 of democracy, and other ongoing illegal activities in
 4 Zimbabwe.

5 **SEC. 5. TECHNICAL ASSISTANCE TO THE TRANSITIONAL**
 6 **GOVERNMENT OF ZIMBABWE TO SUPPORT**
 7 **REFORMS.**

8 (a) **AUTHORITY.**—In accordance with section 531 of
 9 the Foreign Assistance Act of 1961 (22 U.S.C. 2346) and
 10 notwithstanding any other provision of law, the President
 11 is authorized to provide technical assistance to ministries
 12 of the transitional Government of Zimbabwe and to the
 13 Parliament of Zimbabwe to provide the expertise and sup-
 14 port necessary to ensure progress on economic, political,
 15 and security sector reforms.

16 (b) **SENSE OF CONGRESS.**—It is the sense of Con-
 17 gress that—

18 (1) the transitional Government of Zimbabwe
 19 should work to fully enact the economic, political,
 20 and security sector reforms envisaged under the
 21 Global Political Agreement;

22 (2) the United States should continue to pro-
 23 vide technical assistance to build the capacity of
 24 ministries and offices within the transitional Govern-

1 ment of Zimbabwe that demonstrate a commitment
2 to those reforms;

3 ~~(3)~~ the Parliament of Zimbabwe should work to
4 make the government in that country accountable
5 and to hasten the pace of reform; and

6 ~~(4)~~ the United States should continue to pro-
7 vide technical assistance as needed to the Parliament
8 of Zimbabwe to support efforts to review, and as
9 necessary, amend or repeal legislation that—

10 ~~(A)~~ violates freedom of expression, assem-
11 bly, or association; or

12 ~~(B)~~ violates private property rights and de-
13 ters much-needed private investment.

14 **SEC. 6. SUPPORT FOR LAND REFORM, AGRICULTURAL DE-**
15 **VELOPMENT, AND FOOD SECURITY TO LAY**
16 **THE GROUNDWORK FOR ECONOMIC RECOV-**
17 **ERY.**

18 ~~(a)~~ **LAND REFORM.**—It is the sense of Congress
19 that—

20 ~~(1)~~ the absence of respect for property rights in
21 Zimbabwe continues to hinder agricultural produc-
22 tivity and economic recovery; and

23 ~~(2)~~ the United States should support credible
24 efforts to conduct a comprehensive, transparent, and

1 non-partisan land audit as a critical step toward es-
 2 tablishing accountability and security of tenure.

3 ~~(b) FOOD DISTRIBUTION AND PRODUCTION.~~—It is
 4 the sense of Congress that United States assistance to
 5 Zimbabwe should, to the extent possible given existing
 6 concerns about land tenure security—

7 (1) support market-based mechanisms for the
 8 provision of credit and access to the inputs nec-
 9 essary for agricultural production and for the han-
 10 dling, marketing, storage, and processing of agricul-
 11 tural commodities;

12 (2) encourage policies that provide incentives
 13 for agricultural production; and

14 (3) support institutions that provide technical
 15 and financial support for the agriculture sector.

16 **SEC. 7. AMENDMENT TO THE ZIMBABWE DEMOCRACY AND**
 17 **ECONOMIC RECOVERY ACT OF 2001 TO RE-**
 18 **SPOND TO ZIMBABWE'S POLITICAL TRANSI-**
 19 **TION.**

20 Section 4 of the Zimbabwe Democracy and Economic
 21 Recovery Act of 2001 (Public Law No. 107–99; 115 Stat.
 22 962) is amended to read as follows:

1 **“SEC. 4. SUPPORT FOR DEMOCRATIC TRANSITION AND**
2 **ECONOMIC RECOVERY.**

3 “(a) FINDINGS.—Congress finds that the parties to
4 the September 15, 2008, Global Political Agreement be-
5 tween the Zimbabwe African National Union-Patriotic
6 Front (ZANU-PF) and the Movement for Democratic
7 Change (MDC) committed themselves by law to work to-
8 gether to chart a new political direction for Zimbabwe, to
9 prioritize the restoration of economic stability and growth,
10 and to create conditions for the drafting of a new constitu-
11 tion that respects human rights and democratic principles.

12 “(b) SENSE OF CONGRESS.—It is the sense of Con-
13 gress that, in order for the United States to most effec-
14 tively support a transition to democratic and economic re-
15 covery in Zimbabwe to the greatest effect, United States
16 policy should, to the extent possible, reflect new political
17 conditions and opportunities created by the Global Polit-
18 ical Agreement.

19 “(c) DEBT RELIEF.—The Secretary of the Treasury,
20 in consultation with the Secretary of State, shall gather
21 information on the debt incurred by Zimbabwe held by
22 international financial institutions and private financial
23 institutions, and the feasibility and advisability of restruc-
24 turing, rescheduling, or eliminating such debt in the fu-
25 ture, including by using the resources of the International
26 Monetary Fund, the International Bank for Reconstrue-

1 tion and Development, and other appropriate international
2 financial institutions.

3 “(d) ~~MULTILATERAL FINANCING CONDITIONS.~~—The
4 Secretary of the Treasury shall instruct the United States
5 executive director to each international financial institu-
6 tion to oppose any extension by the respective institution
7 of any loan, credit, or guarantee to the Government of
8 Zimbabwe unless the proposed extension meets the fol-
9 lowing conditions:

10 “(1) There are sufficient controls for trans-
11 parency and international oversight of the use of rel-
12 evant funds.

13 “(2) Relevant funds, in cases where the inter-
14 national financial institutions are providing direct
15 funding to or through the Government of Zimbabwe,
16 will not be administered through or in coordination
17 with—

18 “(A) ministries that have not demonstrated
19 a commitment to reform and responsible fiscal
20 management; or

21 “(B) the Reserve Bank of Zimbabwe, un-
22 less there are sufficient guarantees and a pat-
23 tern of evidence that governance problems with-
24 in the Reserve Bank of Zimbabwe have been

1 addressed such that relevant funds will not be
2 redirected for extra-legal purposes.

3 ~~“(3) Relevant funds will not be administered by~~
4 ~~or directly accessible to individuals or financial insti-~~
5 ~~tutions sanctioned by the United States.~~

6 ~~“(e) NOTIFICATION.—~~

7 ~~“(1) IN GENERAL.—If the United States votes~~
8 ~~in favor of any loan, credit, or guarantee to the Gov-~~
9 ~~ernment of Zimbabwe by an international financial~~
10 ~~institution, the Secretary of the Treasury, in coordi-~~
11 ~~nation with the Secretary of State, shall notify the~~
12 ~~appropriate congressional committees within 30 days~~
13 ~~of such vote and provide appropriate information on~~
14 ~~such vote pertaining to the conditions in subsection~~
15 ~~(d).~~

16 ~~“(2) APPROPRIATE CONGRESSIONAL COMMIT-~~
17 ~~TEES DEFINED.—In this subsection, the term ‘ap-~~
18 ~~propriate congressional committees’ means—~~

19 ~~“(A) the Committee on Foreign Relations,~~
20 ~~the Committee on Banking, Housing, and~~
21 ~~Urban Affairs, and the Committee on Appro-~~
22 ~~priations of the Senate; and~~

23 ~~“(B) the Committee on Foreign Affairs,~~
24 ~~the Committee on Financial Services, and the~~

1 Committee on Appropriations of the House of
2 Representatives.

3 ~~“(f) WAIVER.—~~The President may waive the provi-
4 sions in subsection (d) and (e) if the President determines
5 that it is in the national interest of the United States to
6 do so.”.

7 **SEC. 8. AMENDMENT TO THE DEPARTMENT OF STATE, FOR-**
8 **EIGN OPERATIONS, AND RELATED PRO-**
9 **GRAMS APPROPRIATIONS ACT OF 2010 TO UP-**
10 **DATE RESTRICTIONS ON UNITED STATES AS-**
11 **SISTANCE FOR THE GOVERNMENT OF**
12 **ZIMBABWE.**

13 Subsection 7070(i) of the Department of State, For-
14 eign Operations, and Related Programs Appropriations
15 Act of 2010 (division F of Public Law 111–117; 123 Stat.
16 3388) is amended to read as follows: “None of the funds
17 appropriated by this Act may be made available for assist-
18 ance for the central Government of Zimbabwe, except for
19 macroeconomic growth, health, and education assistance;
20 unless the Secretary of State determines and reports in
21 writing to the Committees on Appropriations that the rule
22 of law has been restored in Zimbabwe, including respect
23 for ownership and title to property and freedom of speech
24 and association.”

1 **SEC. 9. ACTIONS TO STOP ILLEGAL DIAMOND FLOWS.**

2 (a) FINDINGS.—Congress makes the following find-
3 ings:

4 (1) According to credible human rights organi-
5 zations, the armed forces of Zimbabwe continue to
6 exert control over diamond mines in the Marange
7 district of eastern Zimbabwe, and have committed
8 horrific abuses against miners and local residents,
9 including extrajudicial killings, beatings, and torture.

10 (2) A review mission of the Kimberley Process
11 traveled to Zimbabwe from June 30 to July 4, 2009,
12 and documented extensive smuggling of diamonds
13 and abuses against civilians by the police and army
14 forces of the Government of Zimbabwe. The review
15 mission reportedly found there to be “credible indi-
16 cations of significant non-compliance” by the Gov-
17 ernment of Zimbabwe with the minimum standards
18 of the Kimberley Process.

19 (3) On December 11, 2009, the United States
20 Senior Advisor to the Permanent Representative of
21 the United States to the 64th Session of the General
22 Assembly stated that the United States has “serious
23 concerns about Zimbabwe’s non-compliance with the
24 minimum requirements of the Kimberley Process,
25 particularly relating to smuggling and grave violence
26 in and around the Marange diamond fields”.

1 (4) The army and police forces of the Govern-
2 ment of Zimbabwe continue to serve primarily as in-
3 struments of ZANU-PF, and their illegal activities
4 involving diamonds continue to fuel the efforts of
5 ZANU-PF to undermine democratic processes and
6 institutions.

7 (b) SENSE OF CONGRESS.—In order to promote re-
8 spect for the rule of law and to prevent further human
9 rights violations by state security forces in Zimbabwe, it
10 is the sense of Congress that, until the Secretary of State
11 can certify that Zimbabwe is in full compliance with the
12 Kimberley Process, the President should—

13 (1) press for Zimbabwe to be suspended from
14 the Kimberley Process diamond certification scheme;

15 (2) work with Zimbabwe's neighbors as well as
16 with regional organizations to help stop the flow of
17 diamonds mined in Zimbabwe from crossing their
18 shared border; and

19 (3) seek to identify and prepare sanctions pur-
20 suant to Executive Order 13391 on individuals and
21 entities funding efforts to undermine democratic
22 processes and institutions in Zimbabwe through ille-
23 gal activities involving diamonds.

1 **SEC. 10. UPDATING AND TIGHTENING OF UNITED STATES**
2 **TARGETED SANCTIONS RELATING TO**
3 **ZIMBABWE.**

4 It is the sense of Congress that the Secretary of the
5 Treasury, in close consultation with the Secretary of State
6 and other relevant officials of the United States Govern-
7 ment, should regularly review and update targeted sanc-
8 tions related to Zimbabwe, giving particular attention to—

9 (1) the ways in which certain entities directly
10 support or fund activities in Zimbabwe that under-
11 mine democratic processes and institutions;

12 (2) the role and functions of certain entities in
13 activities critical to economic recovery in Zimbabwe;
14 and

15 (3) how sanctions could be strengthened against
16 those entities that continue to directly support or
17 fund activities that are undermining democratic
18 processes and institutions in Zimbabwe.

19 **SEC. 11. PREPARATIONS TO SUPPORT EFFORTS TO PRE-**
20 **VENT FUTURE ELECTION VIOLENCE AND**
21 **ABUSES.**

22 It is the sense of Congress that the United States
23 Government should begin engaging with international
24 partners and regional governments to develop a coordi-
25 nated strategy to prepare for future elections in

1 Zimbabwe, particularly to help reduce the risk of violence
2 and other abuses related to such elections.

3 **SEC. 12. BRIEFING TO CONGRESS.**

4 (a) IN GENERAL.—Not later than 180 days after the
5 date of the enactment of this Act, the Secretary of the
6 Treasury, the Secretary of State, and the Administrator
7 of the United States Agency for International Develop-
8 ment shall provide the appropriate congressional commit-
9 tees a briefing on efforts made pursuant to this Act.

10 (b) CONTENT.—The briefing required by subsection
11 (a) shall include the following:

12 (1) A description of what technical assistance
13 has been provided by the United States and by
14 international financial institutions to ministries of
15 the transitional Government of Zimbabwe and to the
16 Parliament of Zimbabwe; an assessment of how that
17 assistance has contributed to demonstrable progress
18 on economic and political reforms; and recommenda-
19 tions for any additional changes in United States
20 law or policy that are needed to strengthen the op-
21 portunity for democratic and economic reforms in
22 Zimbabwe to succeed.

23 (2) A description of steps taken pursuant to
24 section 9 to investigate and address the connection
25 between illegal activities involving diamonds and ef-

1 forts to undermine democratic processes and institu-
 2 tions in Zimbabwe.

3 ~~(3) A description of efforts made pursuant to~~
 4 ~~section 10 and any changes resulting from the re-~~
 5 ~~view and updating of United States targeted sanc-~~
 6 ~~tions relating to Zimbabwe.~~

7 ~~(4) A description of efforts made pursuant to~~
 8 ~~section 11 and progress made toward developing a~~
 9 ~~coordinated strategy to prepare for future elections~~
 10 ~~in Zimbabwe.~~

11 **SECTION 1. SHORT TITLE.**

12 *This Act may be cited as the “Zimbabwe Transition*
 13 *to Democracy and Economic Recovery Act of 2010.”.*

14 **SEC. 2. DEFINITIONS.**

15 *In this Act:*

16 (1) *APPROPRIATE CONGRESSIONAL COMMIT-*
 17 *TEES.—The term “appropriate congressional commit-*
 18 *tees” means—*

19 (A) *the Committee on Foreign Relations, the*
 20 *Committee on Banking, Housing, and Urban Af-*
 21 *fairs, and the Committee on Appropriations of*
 22 *the Senate; and*

23 (B) *the Committee on Foreign Affairs, the*
 24 *Committee on Financial Services, and the Com-*

1 *mittee on Appropriations of the House of Rep-*
 2 *resentatives.*

3 (2) *INTERNATIONAL FINANCIAL INSTITUTIONS.—*
 4 *The term “international financial institutions”*
 5 *means the multilateral development banks and the*
 6 *International Monetary Fund.*

7 (3) *MULTILATERAL DEVELOPMENT BANKS.—The*
 8 *term “multilateral development banks” has the mean-*
 9 *ing given that term in section 1307 of the Inter-*
 10 *national Financial Institutions Act (22 U.S.C.*
 11 *262m–7).*

12 **SEC. 3. FINDINGS.**

13 *Congress makes the following findings:*

14 (1) *In the last decade, Robert Mugabe and his*
 15 *government presided over the collapse of Zimbabwe’s*
 16 *economy and a dramatic decline in the living condi-*
 17 *tions of the people of Zimbabwe, while employing vio-*
 18 *lent tactics to maintain power.*

19 (2) *Through economic mismanagement and un-*
 20 *democratic practices over the past decade, the Govern-*
 21 *ment of Zimbabwe rendered itself ineligible to receive*
 22 *new loans, credits, or guarantees from most inter-*
 23 *national financial institutions, which would otherwise*
 24 *be providing substantial resources to assist in the re-*
 25 *covery and modernization of Zimbabwe’s economy*

1 *and which would have benefitted the people of*
 2 *Zimbabwe.*

3 *(3) In September 2008, after months of political*
 4 *violence against opposition members and their sup-*
 5 *porters following disputed national elections, Robert*
 6 *Mugabe’s party, the Zimbabwean African National*
 7 *Union-Patriotic Front (ZANU-PF), signed a “Global*
 8 *Political Agreement” (GPA) with both factions of the*
 9 *opposition Movement for Democratic Change (MDC),*
 10 *respectively led by Morgan Tsvangirai and Arthur*
 11 *Mutambara, to form a transitional government,*
 12 *which was inaugurated in February 2009.*

13 *(4) In the GPA, which has been enshrined in the*
 14 *constitution of Zimbabwe and guaranteed by the*
 15 *Southern African Development Community (SADC)*
 16 *and the African Union (AU), the parties declared*
 17 *their commitment to “work together to create a gen-*
 18 *uine, viable, permanent, sustainable, and nationally*
 19 *acceptable solution to the Zimbabwe situation and in*
 20 *particular to implement the following agreement with*
 21 *the aims of resolving once and for all the current po-*
 22 *litical and economic situations and charting a new*
 23 *political direction for the country”.*

24 *(5) Under the direction of the new Prime Min-*
 25 *ister, Morgan Tsvangirai, and Minister of Finance,*

1 *Tendai Biti, both from the MDC, the transitional gov-*
 2 *ernment in Zimbabwe has initiated a series of crit-*
 3 *ical economic reforms, putting a stop to some of the*
 4 *quasi-fiscal activities of the previous administration,*
 5 *resuming salary payments to civil servants, and di-*
 6 *recting limited budget resources toward critical social*
 7 *protection services and infrastructure repairs.*

8 *(6) While reform-minded members of the new co-*
 9 *alition government have made some progress in initi-*
 10 *ating reforms in the economic sector, the agreement*
 11 *has yet to be fully implemented, and political and*
 12 *human rights abuses continue, in contravention of the*
 13 *Global Political Agreement signed by the parties.*

14 *(7) As of the date of the enactment of this Act,*
 15 *state security forces remain largely under the control*
 16 *of ZANU-PF and continue to harass MDC supporters*
 17 *and civic activists in Zimbabwe, to force illegal and*
 18 *often violent seizures of private land and property,*
 19 *and to exert extrajudicial control of diamond fields in*
 20 *the Marange district of eastern Zimbabwe.*

21 *(8) The continued disrespect for the rule of law*
 22 *and property rights in Zimbabwe deters much needed*
 23 *private investment in the country.*

24 *(9) The formation of the transitional government*
 25 *has brought changes to the political landscape in*

1 *Zimbabwe and created new opportunities for the*
2 *United States and others to help advance real reform*
3 *and recovery by engaging with those in the govern-*
4 *ment who share those goals, while continuing to put*
5 *targeted pressure on those who are undermining the*
6 *rule of law.*

7 **SEC. 4. STATEMENT OF POLICY.**

8 *It is the policy of the United States to support the peo-*
9 *ple of Zimbabwe in their struggle to affect peaceful, demo-*
10 *cratic change, achieve broad-based and equitable economic*
11 *growth, and restore the rule of law, including through—*

12 *(1) the continued provision of humanitarian as-*
13 *sistance to meet the urgent needs of the people of*
14 *Zimbabwe;*

15 *(2) provide resources through non-governmental*
16 *entities to assist the critical agriculture, economic,*
17 *education, and health sectors;*

18 *(3) the promotion of trade by United States com-*
19 *panies with non-sanctioned individuals and entities*
20 *in Zimbabwe to stimulate the country's economic*
21 *growth and support the livelihoods of its people;*

22 *(4) engagement and close consultation with re-*
23 *gional governments and organizations, international*
24 *financial institutions, and other donors to push for*
25 *the full implementation of the Global Political Agree-*

1 *ment and provide targeted support for fundamental*
 2 *reforms in Zimbabwe;*

3 *(5) continued support for and engagement with*
 4 *civil society organizations in their efforts to promote*
 5 *the rule of law and respect for human rights in*
 6 *Zimbabwe, including through their contributions to*
 7 *the development of a new democratic constitution;*

8 *(6) technical assistance to those within the tran-*
 9 *sitional government in Zimbabwe who demonstrate*
 10 *commitment to fundamental reforms in line with the*
 11 *Global Political Agreement;*

12 *(7) the continuation of the ban on the transfer*
 13 *of defense items and services and the suspension of di-*
 14 *rect monetary assistance to the Government of*
 15 *Zimbabwe until there is greater progress toward re-*
 16 *storing the rule of law, civilian control over security*
 17 *forces, and respect for human rights; and*

18 *(8) the updating and renewal of targeted finan-*
 19 *cial sanctions and travel bans against those found to*
 20 *be responsible for the deliberate breakdown of the rule*
 21 *of law, politically motivated violence, hindrance of de-*
 22 *mocracy, and other ongoing illegal activities in*
 23 *Zimbabwe.*

1 **SEC. 5. TECHNICAL ASSISTANCE TO THE TRANSITIONAL**
2 **GOVERNMENT OF ZIMBABWE TO SUPPORT**
3 **REFORMS.**

4 (a) *AUTHORITY.*—*In accordance with section 531 of*
5 *the Foreign Assistance Act of 1961 (22 U.S.C. 2346) and*
6 *notwithstanding any other provision of law, the President*
7 *is authorized to provide technical assistance to ministries*
8 *of the transitional government of Zimbabwe and to the Par-*
9 *liament of Zimbabwe to provide the expertise and support*
10 *necessary to ensure progress on economic, political, and se-*
11 *curity sector reforms.*

12 (b) *SENSE OF CONGRESS.*—*It is the sense of Congress*
13 *that—*

14 (1) *the transitional Government of Zimbabwe*
15 *should work to fully enact the economic, political, and*
16 *security sector reforms envisaged under the Global Po-*
17 *litical Agreement;*

18 (2) *the United States should continue to provide*
19 *technical assistance to build the capacity of ministries*
20 *and offices within the transitional government of*
21 *Zimbabwe that demonstrate a commitment to those*
22 *reforms;*

23 (3) *the Parliament of Zimbabwe should work to*
24 *make the government in that country accountable and*
25 *to hasten the pace of reform; and*

1 (4) *the United States should continue to provide*
 2 *technical assistance as needed to the Parliament of*
 3 *Zimbabwe to support efforts to review, and as nec-*
 4 *essary, amend or repeal legislation that violates*
 5 *democratic principles.*

6 (c) *SUNSET.—The authority under subsection (a) shall*
 7 *expire on September 30, 2014.*

8 **SEC. 6. SUPPORT FOR LAND REFORM, AGRICULTURAL DE-**
 9 **VELOPMENT, AND FOOD SECURITY TO LAY**
 10 **THE GROUNDWORK FOR ECONOMIC RECOV-**
 11 **ERY.**

12 (a) *LAND REFORM.—It is the sense of Congress that—*

13 (1) *the absence of respect for property rights in*
 14 *Zimbabwe continues to hinder agricultural produc-*
 15 *tivity and economic recovery; and*

16 (2) *the United States should support credible ef-*
 17 *forts to conduct a comprehensive, transparent, and*
 18 *non-partisan land audit as a critical step toward es-*
 19 *tablishing accountability and security of tenure.*

20 (b) *FOOD DISTRIBUTION AND PRODUCTION.—It is the*
 21 *sense of Congress that United States assistance to*
 22 *Zimbabwe should, to the extent possible given existing con-*
 23 *cerns about land tenure security—*

24 (1) *support market-based mechanisms for the*
 25 *provision of credit and access to the inputs necessary*

1 *for agricultural production and for the handling,*
 2 *marketing, storage, and processing of agricultural*
 3 *commodities;*

4 *(2) encourage policies that provide incentives for*
 5 *agricultural production; and*

6 *(3) support institutions that provide technical*
 7 *and financial support for the agriculture sector.*

8 **SEC. 7. AMENDMENT TO THE ZIMBABWE DEMOCRACY AND**
 9 **ECONOMIC RECOVERY ACT OF 2001 TO RE-**
 10 **SPOND TO ZIMBABWE’S POLITICAL TRANSI-**
 11 **TION.**

12 *Section 4 of the Zimbabwe Democracy and Economic*
 13 *Recovery Act of 2001 (Public Law No. 107–99; 115 Stat.*
 14 *962) is amended to read as follows:*

15 **“SEC. 4. SUPPORT FOR DEMOCRATIC TRANSITION AND ECO-**
 16 **NOMIC RECOVERY.**

17 *“(a) FINDINGS.—Congress finds that the parties to the*
 18 *September 15, 2008, Global Political Agreement between the*
 19 *Zimbabwe African National Union-Patriotic Front*
 20 *(ZANU-PF) and the Movement for Democratic Change*
 21 *(MDC) committed themselves by law to work together to*
 22 *chart a new political direction for Zimbabwe, to prioritize*
 23 *the restoration of economic stability and growth, and to cre-*
 24 *ate conditions for the drafting of a new constitution that*
 25 *respects human rights and democratic principles.*

1 “(b) *SENSE OF CONGRESS.*—*It is the sense of Congress*
 2 *that, in order for the United States to most effectively sup-*
 3 *port a transition to democratic and economic recovery in*
 4 *Zimbabwe to the greatest effect, United States policy should,*
 5 *to the extent possible, reflect new political conditions and*
 6 *opportunities created by the Global Political Agreement.*

7 “(c) *DEBT RELIEF.*—*The Secretary of the Treasury,*
 8 *in consultation with the Secretary of State, shall gather in-*
 9 *formation on the debt incurred by Zimbabwe held by inter-*
 10 *national financial institutions and private financial insti-*
 11 *tutions, and the feasibility and advisability of restruc-*
 12 *turing, rescheduling, or eliminating such debt in the future*
 13 *if the Government of Zimbabwe makes significant progress*
 14 *toward restoring the rule of law and enacting democratic*
 15 *reforms.*

16 “(d) *MULTILATERAL FINANCING CONDITIONS.*—*The*
 17 *Secretary of the Treasury shall instruct the United States*
 18 *executive director to each international financial institu-*
 19 *tion to oppose any extension by the respective institution*
 20 *of any loan, credit, or guarantee to the Government of*
 21 *Zimbabwe unless the proposed extension meets the following*
 22 *conditions:*

23 “(1) *There are sufficient controls for trans-*
 24 *parency and international oversight of the use of rel-*
 25 *evant funds.*

1 “(2) *Relevant funds, in cases where the inter-*
 2 *national financial institutions are providing direct*
 3 *funding to or through the Government of Zimbabwe,*
 4 *will not be administered through or in coordination*
 5 *with—*

6 “(A) *ministries that have not demonstrated*
 7 *a commitment to reform and responsible fiscal*
 8 *management; or*

9 “(B) *the Reserve Bank of Zimbabwe, unless*
 10 *there are sufficient guarantees and a pattern of*
 11 *evidence that governance problems within the Re-*
 12 *serve Bank of Zimbabwe have been addressed*
 13 *such that relevant funds will not be redirected for*
 14 *extra-legal purposes.*

15 “(3) *Relevant funds will not be administered by*
 16 *or directly accessible to individuals or financial insti-*
 17 *tutions sanctioned by the United States.*

18 “(e) *NOTIFICATION.—*

19 “(1) *IN GENERAL.—If the United States votes in*
 20 *favor of any loan, credit, or guarantee to the Govern-*
 21 *ment of Zimbabwe by an international financial in-*
 22 *stitution, the Secretary of the Treasury, in coordina-*
 23 *tion with the Secretary of State, shall notify the ap-*
 24 *propriate congressional committees within 30 days of*
 25 *such vote and provide appropriate information on*

1 *such vote pertaining to the conditions in subsection*
 2 *(d).*

3 “(2) *APPROPRIATE CONGRESSIONAL COMMITTEES*
 4 *DEFINED.—In this subsection, the term ‘appropriate*
 5 *congressional committees’ means—*

6 “(A) *the Committee on Foreign Relations,*
 7 *the Committee on Banking, Housing, and Urban*
 8 *Affairs, and the Committee on Appropriations of*
 9 *the Senate; and*

10 “(B) *the Committee on Foreign Affairs, the*
 11 *Committee on Financial Services, and the Com-*
 12 *mittee on Appropriations of the House of Rep-*
 13 *resentatives.*

14 “(f) *WAIVER.—The President may waive the provi-*
 15 *sions in subsection (d) and (e) if the President determines*
 16 *that it is in the national interest of the United States to*
 17 *do so.”.*

18 **SEC. 8. AMENDMENT TO THE DEPARTMENT OF STATE, FOR-**
 19 **EIGN OPERATIONS, AND RELATED PROGRAMS**
 20 **APPROPRIATIONS ACT OF 2010 TO UPDATE**
 21 **RESTRICTIONS ON UNITED STATES ASSIST-**
 22 **ANCE FOR THE GOVERNMENT OF ZIMBABWE.**

23 *Subsection 7070(i) of the Department of State, Foreign*
 24 *Operations, and Related Programs Appropriations Act of*
 25 *2010 (division F of Public Law 111–117; 123 Stat. 3388)*

1 *is amended to read as follows: “None of the funds appro-*
 2 *priated by this Act may be made available for assistance*
 3 *for the central government of Zimbabwe, except for macro-*
 4 *economic growth, health, and education assistance, unless*
 5 *the Secretary of State determines and reports in writing*
 6 *to the Committees on Appropriations that the rule of law*
 7 *has been restored in Zimbabwe, including respect for owner-*
 8 *ship and title to property and freedom of speech and asso-*
 9 *ciation.”*

10 **SEC. 9. ACTIONS TO STOP ILLEGAL DIAMOND FLOWS.**

11 *(a) FINDINGS.—Congress makes the following findings:*

12 *(1) According to credible human rights organiza-*
 13 *tions, the armed forces of Zimbabwe continue to exert*
 14 *control over diamond mines in the Marange district*
 15 *of eastern Zimbabwe, and have committed horrific*
 16 *abuses against miners and local residents, including*
 17 *extrajudicial killings, beatings, and torture.*

18 *(2) A review mission of the Kimberley Process*
 19 *traveled to Zimbabwe from June 30 to July 4, 2009,*
 20 *and documented extensive smuggling of diamonds and*
 21 *abuses against civilians by the police and army forces*
 22 *of the Government of Zimbabwe. The review mission*
 23 *reportedly found there to be “credible indications of*
 24 *significant non-compliance” by the Government of*

1 *Zimbabwe with the minimum standards of the Kim-*
 2 *berley Process.*

3 (3) *On December 11, 2009, the United States*
 4 *Senior Advisor to the Permanent Representative of*
 5 *the United States to the 64th Session of the General*
 6 *Assembly stated that the United States has “serious*
 7 *concerns about Zimbabwe’s non-compliance with the*
 8 *minimum requirements of the Kimberley Process,*
 9 *particularly relating to smuggling and grave violence*
 10 *in and around the Marange diamond fields”.*

11 (4) *The army and police forces of the Govern-*
 12 *ment of Zimbabwe continue to serve primarily as in-*
 13 *struments of ZANU-PF, and their illegal activities*
 14 *involving diamonds continue to fuel the efforts of*
 15 *ZANU-PF to undermine democratic processes and in-*
 16 *stitutions.*

17 (b) *SENSE OF CONGRESS.—In order to promote respect*
 18 *for the rule of law and to prevent further human rights*
 19 *violations by state security forces in Zimbabwe, it is the*
 20 *sense of Congress that, until the Secretary of State can cer-*
 21 *tify that Zimbabwe is in full compliance with the Kim-*
 22 *berley Process, the President should—*

23 (1) *press for Zimbabwe to be suspended from the*
 24 *Kimberley Process diamond certification scheme;*

1 (2) *work with Zimbabwe’s neighbors as well as*
 2 *with regional organizations to help stop the flow of il-*
 3 *legal diamonds mined in Zimbabwe from crossing*
 4 *their shared border; and*

5 (3) *seek to identify and prepare sanctions pursu-*
 6 *ant to Executive Order 13391 on individuals and en-*
 7 *tities funding efforts to undermine democratic proc-*
 8 *esses and institutions in Zimbabwe through illegal ac-*
 9 *tivities involving diamonds.*

10 **SEC. 10. UPDATING AND TIGHTENING OF UNITED STATES**

11 **TARGETED SANCTIONS RELATING TO**
 12 **ZIMBABWE.**

13 *It is the sense of Congress that the Secretary of the*
 14 *Treasury, in close consultation with the Secretary of State*
 15 *and other relevant officials of the United States Govern-*
 16 *ment, should regularly review and update targeted sanc-*
 17 *tions related to Zimbabwe, giving particular attention to—*

18 (1) *the ways in which certain entities directly*
 19 *support or fund activities in Zimbabwe that under-*
 20 *mine democratic processes and institutions;*

21 (2) *the role and functions of certain entities in*
 22 *activities critical to economic recovery in Zimbabwe;*
 23 *and*

24 (3) *how sanctions could be strengthened against*
 25 *those entities that continue to directly support or*

1 *fund activities that are undermining democratic proc-*
 2 *esses and institutions in Zimbabwe.*

3 **SEC. 11. PREPARATIONS TO SUPPORT EFFORTS TO PRE-**
 4 **VENT FUTURE ELECTION VIOLENCE AND**
 5 **ABUSES.**

6 *It is the sense of Congress that the United States Gov-*
 7 *ernment should begin engaging with international partners*
 8 *and regional governments to develop a coordinated strategy*
 9 *to prepare for future elections in Zimbabwe, particularly*
 10 *to help reduce the risk of violence and other abuses related*
 11 *to such elections.*

12 **SEC. 12. BRIEFING TO CONGRESS.**

13 *(a) IN GENERAL.—Not later than 180 days after the*
 14 *date of the enactment of this Act, the Secretary of the Treas-*
 15 *ury, the Secretary of State, and the Administrator of the*
 16 *United States Agency for International Development shall*
 17 *provide the appropriate congressional committees a briefing*
 18 *on efforts made pursuant to this Act.*

19 *(b) CONTENT.—The briefing required by subsection (a)*
 20 *shall include the following:*

21 *(1) A description of what technical assistance*
 22 *has been provided by the United States and by inter-*
 23 *national financial institutions to ministries of the*
 24 *transitional government of Zimbabwe and to the Par-*
 25 *liament of Zimbabwe, an assessment of how that as-*

1 *sistance has contributed to demonstrable progress on*
2 *economic and political reforms, and recommendations*
3 *for any additional changes in United States law or*
4 *policy that are needed to strengthen the opportunity*
5 *for democratic and economic reforms in Zimbabwe to*
6 *succeed.*

7 *(2) A description of steps taken pursuant to sec-*
8 *tion 9 to investigate and address the connection be-*
9 *tween illegal activities involving diamonds and efforts*
10 *to undermine democratic processes and institutions in*
11 *Zimbabwe.*

12 *(3) A description of efforts made pursuant to sec-*
13 *tion 10 and any changes resulting from the review*
14 *and updating of United States targeted sanctions re-*
15 *lating to Zimbabwe.*

16 *(4) A description of efforts made pursuant to sec-*
17 *tion 11 and progress made toward developing a co-*
18 *ordinated strategy to prepare for future elections in*
19 *Zimbabwe.*

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A BILL

To update United States policy and authorities to help advance a genuine transition to democracy and to promote economic recovery in Zimbabwe.

DECEMBER 15, 2010

Reported with an amendment